

**MODERN SLAVERY ACT 2015:  
SLAVERY AND HUMAN TRAFFICKING STATEMENT**

**1. INTRODUCTION FROM THE DIRECTOR**

- 1.1 This statement sets out Shure UK Limited's ("**Company**") actions to understand all potential modern slavery risks in relation to its business and to put in place steps aimed at ensuring that there is no slavery or human trafficking in its business and supply chains. This statement relates to actions and activities during the financial year to May 31, 2019.
- 1.2 The Company recognises that it has a responsibility to take a robust approach to slavery and human trafficking. We are proud of the steps we have taken to combat slavery and human trafficking. The Company has high ethical standards included in our company core values and given by our company founder. The Company takes large efforts to combat modern slavery and human trafficking within our supply chain as well as in our own company structure.

**2. ORGANISATION'S STRUCTURE**

- 2.1 The Company is part of the Shure Group ("**Group**") in the Electronic Devices sector. Our ultimate parent company is Shure Incorporated. Shure Incorporated has its head office in Niles, Illinois, USA.

**3. OUR BUSINESS**

- 3.1 The Group's business is organised into ten (10) business units: Administration, Global Legal Services, Global Marketing and Sales, Finance, Global Facilities, Human Resources, Information Technology, Operations, Product Development, Quality.

**4. OUR SUPPLY CHAINS**

- 4.1 The Group's supply chains include two different production sites in Juarez Mexico and Suzhou China, which receive their parts from third party suppliers. The supply chain within the Group also includes several worldwide regional distribution centres to support the sales teams within the different regions of the world.

**5. OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING**

- 5.1 We are committed to ensuring that there is no modern slavery or human trafficking in the Group's supply chains or in any part of our business. Our Business Ethics Policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.
- 5.2 Our Global Supplier Code of Conduct ensures that all of the Group's suppliers are bound by the highest ethical standards, strictly forbidding child labour, involuntary labour and unlawful discrimination. The Group's suppliers are also required to commit to comply with all applicable environmental laws and regulations and guarantee that any subcontractors abide by the same regulations.

**6. RESPONSIBILITY**

- 6.1 Responsibility for the Group's anti-slavery and human trafficking initiatives lies with the following individuals/functions:

- 6.1.1 Policies: Policies are regularly reviewed and updated by Human Resources and Global Legal Services;
- 6.1.2 Risk assessment: The individual divisions are responsible for the risk assessment within the respective division. Globally the risk assessment for risks of modern slavery and forced labour are governed by the Human Resources division as well as Global Legal Services in close cooperation and are continuously performed, audited and actioned;
- 6.1.3 Investigations/due diligence: Global Legal Services and Compliance take responsibility for investigating and managing risk within the supply chain.
- 6.1.4 Training: Global Legal Services are responsible for sourcing and providing appropriate training to all staff to ensure that the ethics of the Group are maintained.

## **7. RELEVANT POLICIES**

- 7.1 The Group operates the following policies that describe its approach to the identification of modern slavery risks and steps to be taken to prevent slavery and human trafficking in its operations:
  - 7.1.1 Business Ethics Policy
  - 7.1.2 Employee Code of Conduct/Business Ethics:
  - 7.1.3 Supplier Code of Conduct
  - 7.1.4 Employment Policy
  - 7.1.5 Temporary Workers Policy
  - 7.1.6 Ethics Manual

## **8. RISK ASSESSMENT AND DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING**

- 8.1 As part of our initiative to identify and mitigate risk we use strict policies within our own factories and bind our suppliers by our high ethical code of conduct.
- 8.2 We have in place systems to:
  - 8.2.1 Identify and assess potential risk areas in our supply chains.
  - 8.2.2 Mitigate the risk of slavery and human trafficking occurring in our supply chains.
  - 8.2.3 Monitor potential risk areas in our supply chains.
  - 8.2.4 Protect whistle blowers.

All the above is done by our Global Legal Services Team in connection with our Human Resources and Compliance teams.

- 8.3 We are constantly reviewing our supply chain and notice only in Thailand and the Philippines a moderate or higher risk of slavery or human trafficking. Therefore, we are nowadays spending

only 1% or less of our supplies in those countries and suppliers in these regions are subject to annual audits.

## **9. SUPPLIER ADHERENCE TO OUR VALUES AND ETHICS**

9.1 We have zero tolerance to slavery and human trafficking. To ensure all those in our supply chain, including contractors, comply with our core values and ethics, the Group has in place a supply chain compliance programme. This consists of an evaluation of the relevant legal prerequisites worldwide and a strict adherence to those regulations, which is monitored by our Compliance team.

9.2 We have a dedicated Compliance team, with representatives from the following departments:

9.2.1 Legal.

9.2.2 Audit and compliance.

9.2.3 Compliance.

9.2.4 Procurement.

## **10. TRAINING**

10.1 To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we propose to offer training to our staff to increase awareness.

## **11. OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING**

11.1 We use the following key performance indicators (KPIs) to measure how effective we have been to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains:

11.1.1 Ensuring associates in supply chain management have completed training on the Group's position in respect of modern slavery;

11.1.2 Reviewing the number of suppliers who have signed the code of conduct on an annual basis;

11.1.3 Ensuring potential suppliers are subject to a risk assessment before they enter the supply chain;

11.1.4 Reviewing the number of existing suppliers by end of fiscal year 2020 to determine which organisations have implemented modern slavery statements.

## **12. FURTHER STEPS**

12.1 Following a review of the effectiveness of the steps we have taken in the financial year ending May 31, 2019 to ensure that there is no slavery or human trafficking in our supply chains, we intend to take the following further steps to combat slavery and human trafficking:

12.1.1 Install a more comprehensive evaluation system for our existing and potential suppliers;

12.1.2 Implement a modern slavery review for upcoming new products and production lines; and

12.1.3 Raise awareness for the issue of modern slavery by informing and training our associates worldwide.

12.2 This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement for the financial year ending May 31, 2019.



ROBERT LACKEY DIRECTOR

SHURE UK LIMITED

Date:

13/07/2020